Government of Saskatchewan

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending September 26, 2014

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Sept. 26/2014	Average	$336.50	$309.88	$281.50	$257.13	$239.40	$230.25	$218.00
Sept. 26/2014	Range	317-372	293-339	269-300	242-274	230-253	220-241	209-228
Week/Week	Change	$10.37	-$9.45	$8.33	$6.23	$3.73	$1.87	$3.33
Sept. 19/2014	Average	$326.13	$319.33	$273.17	$250.90	$235.67	$228.38	$214.67
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
Sept. 26/2014	Average	$304.63	$271.00	$244.13	$231.90	$225.65	$208.75	
Sept. 26/2014	Range	287-315	255-294	239-258	223-244	213-234	200-222	
Week/Week	Change	$22.63	$10.25	$7.88	$3.98	$2.35	-$0.67	
Sept. 19/2014	Average	$282.00	$260.75	$236.25	$227.92	$223.30	$209.42	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficicent data.

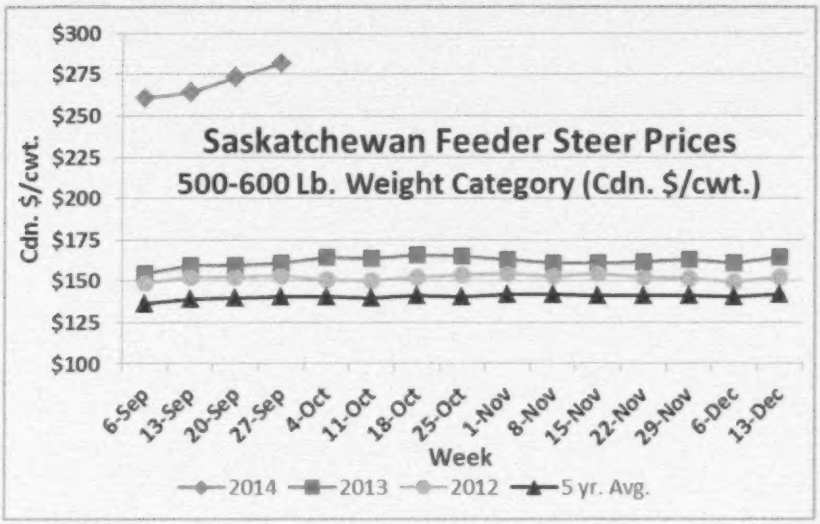
Canfax reported that a total of 10,556 head of cattle were sold in Saskatchewan this week, up from 7,457 head marketed the previous week.

Saskatchewan feeder steer prices were primarily higher over the week. Saskatchewan feeder steer prices ranged from $9.45 per cwt lower to $10.37 per cwt higher over the week. The biggest gain over the week was in the 300-400 lb. weight category while the 400-500 lb. weight category had the only loss over the week. Feeder steers in all weight categories except the 400-500 lb. weight category established new all-time high record prices over the week.

Feeder heifer prices were mostly higher over the week ranging from $0.67 per cwt lower to $22.63 per cwt higher. The 300-400 lb. weight category had the largest increase over the week followed by the 400-500 lb. weight category. The 800+ lb. weight category had the only loss over the week. All feeder heifer weight categories except the 800+ lb. weight category reached new all-time high record prices over the week.

Saskatchewan feeder cattle prices were primarily higher over the week with strong feeder cattle demand supported by record high feeder cattle futures prices, lower feed prices, and a weaker Canadian dollar (versus U.S.). With the fall feeder cattle run starting in early October,

Saskatchewan cow-calf producers are expected to receive record high calf cheques. Current Saskatchewan 500-600 lb. weight category feeder steer prices are $281.50 per cwt, double the 5-year average and over $1,500 for a 550 lb. feeder steer. With tight cattle supplies and low feed prices the anticipation is that prices will remain strong this fall. While these main factors should remain constant in the near term, other factors such as fed cattle prices and the close link to beef cutout values will also be important. Global demand for protein meat in 2014 has been high with beef cutout values leading the way with higher prices. Beef cutout values relative to competing pork and chicken have been higher than historical norms. The recent surge in feeder prices will once again have to test consumer demand with these higher prices at the table.

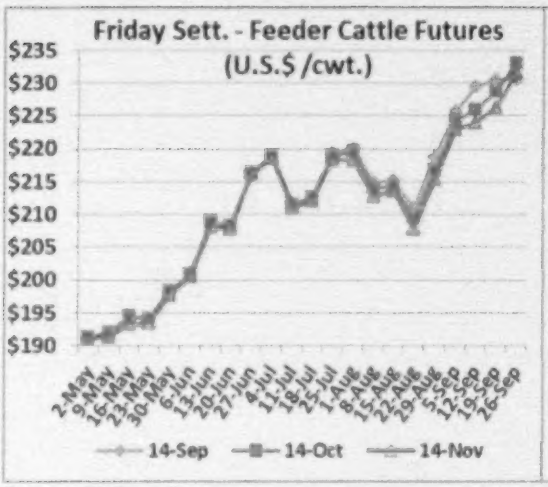


Source: CanFax

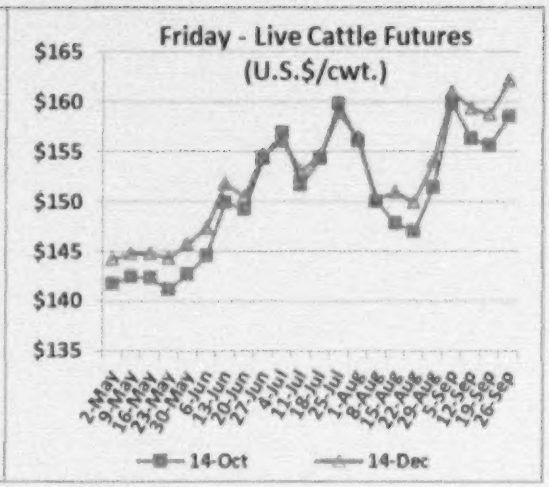
The Saskatchewan 750 lb. feeder steer basis compared to the September 25, 2014 U.S. feeder cattle index at US$230.48 per cwt was calculated at -$17.69 per cwt (US$230.48/0.8965 - $239.40), a basis widening of $1.27 per cwt from -$16.42 per cwt on September 18, 2014.

Feeder cattle futures prices were limit up on most contacts on Friday, establishing new all-time high record prices. Prices over the week were higher with the nearby October contract increasing US$4.375 per cwt to settle Friday at US$233.100 per cwt, while the November contract increased US$5.275 per cwt to settle Friday at US$231.600 per cwt. The September feeder cattle contract established a new all-time high record price of US$231.07 per cwt on Wednesday before the contract expired the week lower at US$230.48 per cwt.

Live cattle futures prices were also limit up on the nearby contracts Friday, helping prices to increase week-over-week. The October live cattle futures contract increased US$2.825 per cwt to settle Friday at US$158.450 per cwt, while the December contract increased US$3.400 per cwt to settle Friday at US$162.100 per cwt, week-over-week. The December contract ended very close to the all-time high price established on September 9, 2014.



Source: CME



Source: CME

Iowa cash corn prices continued lower deceasing 12 cents per bushel, week-over-week, to end Friday at US$2.95 per bushel. The December corn contract was down over 8 cents to settle Friday at US$3.23 per bushel, while the March 2015 corn futures contract was down over 8 cents to settle Friday at $3.35¾ per bushel.

Fed and Non-fed Cattle

	September 26	September 19	Change over Week
Cows (Alberta)			
D1,2 Live	123.40	123.10	+0.30
D3 Live	110.08	110.33	-0.25
Rail	235-240	235-240	0.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were mixed last week with D1,2 slaughter cows increasing $0.30 per cwt to average $123.40 per cwt, while the price of D3 slaughter cows decreased $0.25 per cwt to average $110.08 per cwt.

Fed cattle prices in Western Canada were lower over the week. The price of fed steers in Alberta was reported to average $161.81 per cwt, down $1.62 per cwt from the price of $163.43 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$156.75 per cwt, almost unchanged from US$156.74 per cwt the previous week, but up 24.6 per cent from US$125.80 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$245.78 per cwt, up US$1.04 per cwt from US$244.74 per cwt the previous week, but up 23.4 per cent from US$199.18 per cwt the same week a year ago.

Choice beef cutout prices (600-900 lb.) averaged US$239.62 per cwt, down US$6.61 per cwt from the weekly average price of US$246.23 per cwt the previous week, but up 23.9 per cent from US$193.43 per cwt the same week a year ago.

Cattle slaughter numbers over the week were estimated at 572,000 head, up slightly from 571,000 head the previous week, but down 8.5 per cent from 625,000 head a year ago. Beef production totaled 467.3 million lb., down 0.4 per cent from 465.4 million lb. a week ago, and down 6.0 per cent from 497.2 million lb. a year ago.

Friday Price Information

Product		This Week (September 26)	Week of: (September 19)
Canadian Dollar (closing rate US$)		.8965	.9135
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		230.48	230.28
Seven-day Weighted Average FC Index Wt. (lb.)		758	754
Live Fed 5-area Steer Price (US$ per cwt)		156.75	156.74
Feed Grains			
Barley	Lethbridge ($/tonne)	165.00	164.00
	($ per bu.)	3.59	3.57
Corn	Iowa State Average (CDN$/tonne)*	129.54	132.30
	(US$ per bu.)	2.95	3.07
	Omaha, NE (CDN$/tonne)*	130.86	152.13
	(US$ per bu.)	2.98	3.53
Futures			
	Dec. Corn (US$ per bu.)	3.23	3.31½
	March Corn (US$ per bu.)	3.35¾	3.44¼
	October Live Cattle (US$ per cwt)	158.450	155.625
	December Live Cattle (US$ per cwt)	162.100	158.700
	Sept. Feeder Cattle (US$ per cwt)*expiry	230.480	230.600
	November Feeder Cattle (US$ per cwt)	231.600	226.325

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News

* conversion to CDN$ is based on Friday's CDN$ closing rate

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